SUPREME COURT, U. S.

MAY 14 19

MICHAEL RODAK, JR.

No. 73-1567

In the

Supreme Court of the United States

OCTOBER TERM, 1973

DART INDUSTRIES, INC.,

Petitioner,

vs.

E. I. DU PONT DE NEMOURS AND COMPANY,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Seventh Circuit

BRIEF OF RESPONDENT IN OPPOSITION

FRANK F. FOWLE
MELVILLE C. WILLIAMS
EARL L. HANDLEY
E. MANNING GILES
CHARLES M. CHADD
69 West Washington Street
Chicago, Illinois 60602
312/630-4200
Attorneys for Respondent

Of Counsel:
POPE, BALLARD, SHEPARD & FOWLE
69 West Washington Street
Chicago, Illinois 60602

The Scheffer Press, Inc.—(312) 263-6850

TABLE OF CONTENTS

	PAGE
Questions Presented	1
Statement of the Case	2
Argument	5
I. The Court Of Appeals Did Not Base Its Decision of The "On Sale" Issue On De Novo Findings That Bradt's Invention, Conceived In 1950, Was Reduced To Practice In 1946 ..	5
II. Judge Stevens' Disqualification Of Himself Did Not Vitiate Either The Decision Of The Court Of Appeals Or Its Denial Of Dart's Petition For Rehearing	8
III. There Is No Reason For This Court To Review The Decision Below	12
Conclusion	12

TABLE OF AUTHORITIES

CASES CITED:

Carr v. *Fife*, 156 U.S. 494 (1894)	9
Darlington v. *Studebaker-Packard Corporation*, 261 F.2d 903 (7th Cir. 1959), *cert. denied*, 359 U.S. 992 (1959)	9
Elizabeth v. *Pavement Co.*, 97 U.S. 126 (1877)	5
MacNeil Bros. Company v. *Cohen*, 264 F.2d 186 (1st Cir. 1959)	10
United States v. *Allied Stevedoring Corp.*, 241 F.2d 925 (2d Cir. 1956), *cert. denied*, 353 U.S. 984 (1956)	11
Weiss v. *Hunna*, 312 F.2d 711 (2d Cir. 1963), *cert. denied*, 374 U.S. 853 (1963), *rehearing denied*, 375 U.S. 874 (1963)	9

PAGE

STATUTES CITED:

28 U.S.C. §46(d) 11

28 U.S.C. §455 9

35 U.S.C. §102(b) 3, 8

FEDERAL RULES OF CIVIL PROCEDURE:

Rule 52(a) 8

References to the Petition For Writ of Certiorari of Dart Industries Inc. are indicated by "Pet." followed by the page number. References to the Appendix to Dart's Petition are indicated by "App." followed by the page number. References have been made to trial exhibit PX2 which is the Patent Office file of the application for the patent in suit.

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1973

No. 73-1567

DART INDUSTRIES, INC.,

Petitioner,

vs.

E. I. DU PONT DE NEMOURS AND COMPANY,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Seventh Circuit

---

BRIEF OF RESPONDENT IN OPPOSITION

Questions Presented

Dart presents questions for review (Pet. 2-4) which are excessively complex. Dart's questions also presuppose circumstances not warranted by the record. Three of Dart's questions for review assume that the Court of Appeals based its decision upon *de novo* findings with respect to issues not litigated in the district court. This assumption is wholly unwarranted.

Moreover, the questions that Dart presents for review do not mesh with Dart's Reasons for Allowance of the Writ (Pet. 10). For example, Dart's first reason for allowance of the writ is that the appeal was determined by a panel which included a disqualified judge. This proposition is not included in the questions Dart presents for review.

From a close examination of Dart's petition, we believe the questions Dart really presents for review are:

1. Did the Court of Appeals base its decision of the "on sale" issue on *de novo* findings that Bradt's invention, conceived in 1950, was reduced to practice in 1946? (This was the question presented by Dart's first petition for rehearing below.)
2. Did Judge Stevens' disqualification of himself after the decision of the Court of Appeals, vitiate either the Court of Appeals decision or its denial of Dart's petition for rehearing? (This was the question presented by Dart's second petition for rehearing below.)

The Court of Appeals itself (the remaining members of the panel) answered the first question in the negative when it denied Dart's first petition for rehearing; and the entire Court of Appeals (excepting Judges Stevens and Cummings) answered the second question in the negative when it denied Dart's second petition for rehearing.

Statement of the Case

Dart brought this action against Du Pont for infringement of claims 1, 8 and 9 of Bradt Patent No. 2,877,501 relating to fiberglass reinforced molding granules of the type used in the injection molding of thermoplastic articles.

The district court found the Bradt patent to be valid and infringed, and adopted findings and conclusions prepared by Dart.

On appeal, Du Pont raised two issues: (1) that its granules did not infringe the claims in suit; and (2) that the Bradt patent in any event was invalid under 35 U.S.C. §102(b) by reason of Bradt's established sales, offers to sell, and other selling activity more than a year before the filing date of the patent.

The Court of Appeals did not reach the infringement issue. It held the Bradt patent invalid—the district court had been clearly in error in excusing Bradt's admitted selling activity as experimental and thus beyond the "on sale" bar of the statute.*

We think the case is adequately stated in the opinion of the Court of Appeals (App. A41-54) and in the proceedings which followed (App. A55-100).

We do have one observation concerning Dart's "Statement of the Facts" (Pet. 4-10). At page 9 of its Petition Dart states, not just as an assumption or a contention but as a fact, that the Court of Appeals based its reversal of the district court "entirely upon its independent *de novo* determinations * * * that certain 'orifice tests' referred to in affidavits in the patent file history con-

---

* From a reading of Dart's petition, one might wonder whether Bradt ever made sales of his granules before the critical date. The facts are that Bradt made *unrestricted sales* before the critical date, not only to Victory Plastics who he claims was to test his product, but to Service Plastics, Inc., P. R. Mallory, Dow Chemical Company, Koppers Company, and perhaps others who he does not claim were to test his product for him.

stituted an actual reduction to practice of the invention * * *." As we will show, this is simply untrue. As Dart interprets the opinion of the Court of Appeals, the Court made the manifestly absurd "finding" that Bradt reduced his invention to practice before he even conceived it. This interpretation is irreconcilable with any fair reading of the opinion.

Argument

I.

THE COURT OF APPEALS DID NOT BASE ITS DECISION OF THE "ON SALE" ISSUE ON DE NOVO FINDINGS THAT BRADT'S INVENTION, CONCEIVED IN 1950, WAS REDUCED TO PRACTICE IN 1946.

Dart contends that the Court of Appeals' decision of the "on sale" issue is based entirely upon *de novo* findings with respect to an issue never before contested, to-wit, whether Bradt had reduced his invention to practice with certain "orifice tests" performed in 1946.

Dart's contention is a total distortion of the Court of Appeals' decision.* The issues on appeal were whether Bradt was selling and offering to sell a completed product prior to December 24, 1951, and if so, whether his sales, offers to sell and other sales activity could be excused under the experimental use exception of *Elizabeth* v. *Pavement Co.*, 97 U.S. 126 (1877) (App. A42).

The Court determined that Bradt's roving granules were reduced to practice—were essentially complete and so regarded by Bradt—before he placed them on sale and sold them in 1951.

In deciding that the invention was complete, the Court did not rely upon any finding that "orifice tests" made in 1946 constituted a reduction to practice of Bradt's invention. In fact the Court made no such finding at all.

The Court had before it the file wrapper of the Bradt patent (PX2). The file wrapper shows that on a number

* See Dart's petition for rehearing in the Court of Appeals (App. A55) and Du Pont's answer thereto (App. A70).

of occasions Bradt represented to the Patent Office that he had made certain tests (the "orifice tests") as early as 1946 which showed generally that a combination of fiberglass and thermoplastic could be injection molded. More importantly, the file wrapper also shows that in December 1950, as he had planned, Bradt obtained some glass roving which he impregnated with plastic and chopped into short lengths (Bradt's roving granules) and that Bradt had subjected *this product* to tests and examinations which indicated to his satisfaction that *this product* would prove satisfactory for injection molding (PX 2, p. 40).*

The file wrapper shows, too, that Bradt was plainly referring to both sets of tests—the 1946 tests and the 1950 tests—when he said to the Patent Office under oath, "3. The tests described above convinced me as I believe they would convince anyone familiar with the injection molding art" that his roving granule would be satisfactory for injection molding (PX 2, pp. 65, 86).**

It was on the basis of these tests, and with his roving granule already in hand, that Bradt represented to the Patent Office on April 22, 1958, "As to reduction to prac-

---

* Remarks to Patent Office, PX 2, pp. 39-40; rule 131 affidavit dated May 20, 1957, paragraphs 5-8, PX 2, pp. 45-48; remarks to Patent Office, PX 2, p. 61; rule 131 affidavit dated February 21, 1958, paragraphs 2(a), 2(b), 2(c), 3, 4, 5, PX 2, pp. 64-66; Sinclair affidavit dated April 14, 1958, PX 2, p. 72; remarks to Patent Office, PX 2, pp. 78, 80; rule 131 affidavit dated April 17, 1958, paragraphs 2(a), 2(b), 2(c), 3, 4, 5, PX 2, pp. 85-87; Teagarden affidavit dated April 12, 1958, PX 2, p. 94; Sinclair supplemental affidavit dated April 17, 1958, PX 2, pp. 96-97.

** See last portion of Court of Appeals' footnote 5 (App. A44-46).

tice, applicant submits that the affidavits establish reduction to practice in December, 1950, of the subject matter of the claims drawn to the molding material" (i.e. Bradt's roving granule) (PX 2, p. 80).*

The face of the file wrapper shows clearly that by December 1950, Bradt was convinced of the utility of his product. In finding that Bradt's invention was complete before he sold his product, the Court merely reacted to Bradt's own expressions of confidence.

But, the Court had other compelling evidence before it. Bradt admittedly offered to sell, sold and delivered actual roving granules prior to the critical date (App. A41-42, A45-46, A53-54). These granules were the identical product Bradt later sought to patent (PX 2, p. 80; App. A53). The granules underwent no change after the disqualifying sales occurred, and they later achieved commercial success in the form in which they were sold (App. A50-51, A 53).

In view of all these factors, the Court concluded, "The record plainly establishes that the completed product was on sale before the critical date" (App. A51).

Yet Dart sought to show that Bradt's product was really not complete because Bradt was experimenting. On this issue, the Court held correctly that Dart had the burden of proof. As the Court said, once selling activity had been established, "the burden of avoiding the statutory bar by proving a purely experimental purpose rests upon the inventor" (App. A49).

Dart did not meet this burden. Dart produced no evidence that any purchaser, or any customer who placed an order, or any potential customer whose patronage was solicited before December 24, 1951, was advised that the

---

* See Court of Appeals' footnote 6 (App. A45).

purchase was qualified by any restriction on use, any requirement of secrecy, or any duty to report back to Bradt (App. A47, A53). Moreover, Bradt's own testimony clearly showed that the purpose of his selling activity was to develop a market for his product (App. A52-53).

As for the district court's finding that Bradt's selling activities were experimental and excused from the "on sale" bar of 35 U.S.C. §102(b), the Court of Appeals went on to hold (App. A52):

> "The district court found that the sales and offers by Bradt in 1951 'were not made for any commercial purpose' [and thus were within the experimental use doctrine]. Our study of the record leaves us with the firm conviction that the finding is clearly erroneous * * *. He wanted as many potential customers as possible to experiment with his product in order to develop a market for it, as well as to find out how well it would perform under commercial production."

The Court of Appeals made no *de novo* findings on issues never before raised by the parties. The Court simply determined that the district court's findings on completeness and experimentation were clearly erroneous. This determination was strictly in accordance with F.R.C.P. 52(a).

II.

JUDGE STEVENS' DISQUALIFICATION OF HIMSELF DID NOT VITIATE EITHER THE DECISION OF THE COURT OF APPEALS OR ITS DENIAL OF DART'S PETITION FOR REHEARING.

It is Dart's contention that the September 21, 1973 decision of the Court of Appeals in this case must be vacated, and the cause assigned to a different panel, because the decision was authored and primarily determined by Judge Stevens who at the time the decision was rendered

was disqualified; and, since Judge Stevens' influence on Judges Kiley and Pell cannot be measured, they too were disqualified.

Dart's contention starts from a wrong premise. Judge Stevens was not disqualified to serve on the panel of three judges when the decision of the Court of Appeals was rendered on September 21, 1973. Judge Stevens, on September 21, 1973, had no interest in the case; he had not been a material witness; he had not been of counsel in the case; he was not at the time related to or connected with any party or his attorney. Even if Judge Stevens had known on September 21, 1973, that his old firm represented Dart in other matters, which he did not know, this fact would not have disqualified him. *Carr* v. *Fife,* 156 U.S. 494, 498 (1894); *Darlington* v. *Studebaker-Packard Corporation,* 261 F.2d 903, 906-907 (7th Cir. 1959), *cert. denied,* 359 U.S. 992 (1959). Since Judge Stevens was not disqualified on September 21, 1973, when the decision was rendered, Judges Kiley and Pell were not disqualified either.

The applicable statute is 28 U.S.C. §455. It reads:

> "Any justice or judge of the United States shall disqualify himself in any case in which he has a substantial interest, has been of counsel, is or has been a material witness, or is so related to or connected with any party or his attorney as to render it improper, in his opinion, for him to sit on the trial, appeal, or other proceedings therein."

Dart fails to recognize that while the first portion of 28 U.S.C. §455 requires a judge to disqualify himself (for having an interest, having been of counsel or being a material witness), the second portion of the statute (relation to a party or his attorney) leaves disqualification to the discretion and conscience of the judge. *Weiss* v.

Hunna, 312 F.2d 711, 714 (2d Cir. 1963), *cert. denied*, 374 U.S. 853 (1963), *rehearing denied*, 375 U.S. 874 (1963); *MacNeil Bros. Company* v. *Cohen*, 264 F.2d 186, 188-189 (1st Cir. 1959). In the former circumstances, a judge is disqualified from the outset; in the latter circumstances, a judge is not disqualified until he elects, for whatever reason, to disqualify himself.

In the case at bar, Judge Stevens did not know of any reason to disqualify himself from further participation in the case until October 29, 1973, after the Court's unanimous decision and after the filing of Dart's petition for rehearing. Even then the circumstances that caused Judge Stevens to believe he should disqualify himself by no means required his disqualification.* Judge Stevens wrote (to his brother judges) on October 29, 1973:

> "Dear Judges:
>
> "This morning, quite by accident, I learned that Dart Industries is presently a client of my former partners, and, indeed, under a different name was also a client while I was still a member of the firm. I had no awareness whatsoever of this situation prior to this morning. However, it is perfectly clear that if I had known of this circumstance, I would have disqualified myself, and I believe the duty to do so arises when a disqualifying circumstance becomes known. Therefore, with sincere apologies because of the nature of the case, I feel compelled now to disqualify myself from further consideration or participation in the deliberations concerning the petition for rehearing. May I respectfully suggest that the next order entered in this litigation carry a notation stating in substance: 'On October 29, 1973, Judge

* Dart has described these circumstances as so "insubstantial" a ground for disqualification that it would have waived them (App. A96).

Stevens became aware of a disqualifying circumstance and did not thereafter participate in deliberations concerning this litigation.'

"I am sincerely sorry that I feel compelled to take this step, particularly in view of the fact that a patent case is involved.

Respectfully,
John"

We submit that Judge Stevens was not disqualified when the panel rendered its unanimous decision on September 21, 1973. Since Judge Stevens was not disqualified on September 21, 1973, there is no basis for the argument that his disqualification tainted the other judges as of that date.

So far as the denial of Dart's petition for rehearing is concerned, the moment Judge Stevens discovered a reason why he thought he should disqualify himself, he stepped aside and no longer participated in deliberations on the petition for rehearing. He could not possibly have exerted any influence, subconscious or otherwise, on Judge Kiley or Judge Pell from that moment forward. The situation was precisely the same as though Judge Stevens had become incapacitated for any other reason. A quorum of the court remained (28 U.S.C. §46(d)) and was fully empowered to pass upon Dart's petition for rehearing. *United States* v. *Allied Stevedoring Corp.*, 241 F.2d 925, 927 (2d Cir. 1956), *cert. denied*, 353 U.S. 984 (1956).

Dart's claim that it has been denied due process of law because of Judge Stevens' disqualification of himself is without substance.

The entire active membership of the Court of Appeals for the Seventh Circuit (except Judges Stevens and Cummings) considered Dart's contention and rejected it unanimously.

III.

THERE IS NO REASON FOR THIS COURT TO REVIEW THE DECISION BELOW.

No amount of strained argument can convert this case into one warranting review by this Court on certiorari.

The decision below is based upon long and well established rules of law and is plainly correct.

There is no conflict of decisions. There is no important question for this Court to review. There is no need for this Court to exercise its supervisory powers.

CONCLUSION

For the foregoing reasons, it is respectfully submitted that the Petition for a Writ of Certiorari should be denied.

May 13, 1974.

Respectfully submitted,

FRANK F. FOWLE
MELVILLE C. WILLIAMS
EARL L. HANDLEY
E. MANNING GILES
CHARLES M. CHADD
69 West Washington Street
Chicago, Illinois 60602
312/630-4200
Attorneys for Respondent

Of Counsel:
POPE, BALLARD, SHEPARD & FOWLE
69 West Washington Street
Chicago, Illinois 60602

CERTIFICATE OF SERVICE

This Brief of Respondent in Opposition has been served upon Petitioner by air-mailing three copies thereof to Thomas F. Reddy, Jr., Esq., Pennie & Edmonds, 330 Madison Avenue, New York, New York 10017 on this 13th day of May, 1974.

FRANK F. FOWLE
Counsel for Respondent,
E. I. DuPont DeNemours and Company